

1. **Review and re-adopt Sections 21.121-21.133 of Board rules, concerning the Texas B-On-Time Loan Program, and simultaneously propose amendments to Sections 21.124-21.127 and 21.129, concerning the priority among initial applicants for loans, the criteria for continued eligibility for loans, and clarification of instances in which loans may be forgiven**

Chapter 21. Student Services

Subchapter E. TEXAS B-ON-TIME LOAN PROGRAM

Section

21.121.	Authority and Purpose.
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21.133.	Enforcement of Collection.

21.121. – 21.123. No change

21.124. Initial Eligibility for Loans.

(a) The Commissioner may authorize Texas B-On-Time Loans to students at any eligible institution which certifies that the student:

- (1) is a resident of Texas as defined in these rules;
- (2) graduated not earlier than the 2002-2003 school year under the Recommended or Advanced High School Program from a public or accredited private high school in Texas or received an associate degree from an eligible institution not earlier than May 1, 2005;
- (3) has not been granted a baccalaureate degree;
- (4) is enrolled for a full-time course load, as determined by the institution, in an undergraduate degree or certificate program at an eligible institution;
- (5) is eligible for federal financial aid, except that the student is not required to meet any financial need requirements applicable to other financial aid programs;

(b) A student is not required to be 18 years of age at the time that he or she establishes eligibility for participation in the program; for the purpose of any promissory note executed by a borrower, the defense that he or she was a minor at the time he or she executed a note shall not be available to him or her in any action arising on the note.

(c) If program funds are not sufficient to provide Texas B-On-Time Loans to all qualified students, priority must be given to students with demonstrated financial need.

21.125. Continued Eligibility for Loans.

(a) After initially qualifying for a Texas B-On-Time loan, a student may continue to receive a Texas B-On-Time loan for each semester or term at an eligible institution if he or she continues to meet all initial eligibility requirements in Section 21.124 of this title (relating to Initial Eligibility for Loans) and additionally:

(1) as of the end of the person's first academic year he or she meets the satisfactory academic progress requirements as indicated by the financial aid office of his or her institution.

(A) If a student ends his/her first year in the program without meeting the academic progress requirements of his/her institution, he/she may not get back into the program until the institution has determined that the student has met its academic performance requirements.

(B) A loan recipient who is below program grade point average requirements as of the end of a spring term may appeal his/her grade point average calculation if he/she has taken courses previously at one or more different institutions. In the case of such an appeal, the current institution (if presented with transcripts from the previous institutions), must calculate an overall grade point average counting all classes and grade points previously earned. If the resulting grade point average exceeds the current institution's academic progress requirement, an otherwise eligible student may receive an award in the following fall term.

(2) As of the end of the second and subsequent years, the student must complete at least 75 percent of the hours attempted in his/her most recent academic year, and maintain an overall grade point average of at least 2.5 on a four point scale or its equivalent, for all coursework attempted at public or private or independent institutions of higher education.

(A) The completion rate calculations may be made in keeping with institutional policies.

(B) Grade point average calculations may be made in keeping with institutional policies except that if a loan recipient's grade point average falls below program requirements and the student transfers to another institution, the receiving institution cannot make a continuation award to the transfer student until he/she provides transcripts of previous coursework to the new institution's financial aid office and that office re-calculates an overall grade point average, including hours and grade points for courses taken at the old and new institutions

that proves the student's overall grade point average now meets or exceeds program requirements.

(C) A loan recipient who is below program grade point average requirements as of the end of a spring term may appeal his/her grade point average calculation if he/she has taken courses previously at one or more different institutions. In the case of such an appeal, the current institution (if presented with transcripts from the previous institutions), must calculate an overall grade point average counting all classes and grade points previously earned. If the resulting grade point average exceeds the program's academic progress requirement, an otherwise eligible student may receive an award in the following fall term.

~~[(1) — if the student is enrolled in his/her first academic year at the institution, the student must make satisfactory academic progress toward a degree or certificate as determined and reported to the Board by the institution;]~~

~~[(2) — if the student is enrolled at a qualifying institution in any academic year after his/her first academic year, the student:]~~

~~[(A) — must have completed at least 75 percent of the hours attempted in the most recent academic year; and]~~

~~[(B) — must have a cumulative grade point average of at least 2.5 on a four point scale, or the equivalent;]~~

(3) enrolls in a program leading to a bachelor's degree within 12 months after the month in which the student received an undergraduate certificate or associate's degree.

(b) – (c) No change

21.126. Disbursement to Students.

(a) No change

(b) Electronically transferred funds ~~[A loan warrant]~~ must be disbursed to the student ~~[negotiated]~~ or returned to the Board on or before the 120th day after the electronic funds transfer ~~[loan warrant issue] date~~ ~~[, or the warrant will be cancelled and the student will no longer be considered to be in the program.]~~

(c) – (d) No change

21.127. Hardship Provisions ~~[Waiver of Course Load Requirement]~~.

(a) In the event of a hardship or for other good cause, the Program Officer at an eligible institution may allow an otherwise eligible person to receive a B-On-Time loan while

enrolled for an equivalent of less than full-time but at least six semester hours. Such conditions are not limited to, but include:

(1) a showing of a severe illness or other debilitating condition that may affect the student's academic performance;

(2) an indication that the student is responsible for the care of a sick, injured, or needy person and that the student's provision of care may affect his or her academic performance; or

(3) the requirement of fewer than nine hours to complete one's degree plan.

~~[(a) — The Board may waive the full time course load requirement based on hardship and other good cause for a student that is enrolled less than full time, but who is enrolled for at least six semester hours and who is otherwise eligible for a Texas B-On-Time loan.~~

~~(b) — Hardship and other good cause may be determined by the Board based upon documented circumstances. The Board may request assistance from the program officer at the student's institution in determining whether or not these circumstances warrant exception to the full time course load requirement.]~~

~~(b) [(e)] If the onset of a condition that constitutes a hardship should occur after a student has enrolled for a full-time course load, and the institution [Commissioner] determines that the student is justified by his or her circumstances in dropping to no fewer than six semester hours, the institution [Commissioner] may also [,at his discretion,] make a determination that the dropped courses will not count against the 75 percent requirement described in Section 21.125 (a)(2)(A) of this title (relating to Continued Eligibility for Loans), or toward the 150 hour maximum described in Section 21.125 (b) of this title (relating to Continued Eligibility for Loans). Among the circumstances that the institution [Commissioner] may take into consideration in making this determination is whether the student has dropped below full-time in other academic periods while receiving loans under this program.~~

21.128. No change

21.129. Forgiveness of Loans.

A Texas B-On-Time loan shall be forgiven if the student is awarded an undergraduate degree or certificate from an eligible institution, and the student either:

(1) graduated with a B average, or the equivalent of a cumulative grade point average of at least 3.0 on a four-point scale, and received ~~[within]~~:

(A) a baccalaureate degree within four calendar years after the date the student initially enrolled in an eligible ~~[four-year]~~ institution;

(B) a baccalaureate degree within five calendar years after the date the student initially enrolled in an eligible institution, if the degree is in architecture, engineering, or any other program determined by the Board to require more than four years to complete; ~~[or]~~

(C) ~~a degree or certificate from a two-year program within two calendar years after the date the student initially enrolled in an eligible institution [public technical institute or public junior college; or]~~

(D) ~~a certificate from a one-year program within one calendar year after the date the student initially enrolled in an eligible institution; or~~

(2) graduated with a B average, or the equivalent of a cumulative grade point average of at least 3.0 on a four-point scale, with a total number of course credit hours, including transfer credit hours and hours earned exclusively by examination, that is not more ~~than: [than six hours more than the number of credit hours required to complete the degree or certificate.]~~

(A) ~~six hours more than the number of credit hours required to complete a two-year certificate or a baccalaureate degree; or~~

(B) ~~three hours more than the number of credit hours required to complete a one-year certificate.~~

21.130. – 21.133. No change

2. Review and re-adopt Sections 21.251-21.263 of Board rules, concerning the Physician Education Loan Repayment Program, and simultaneously propose amendments to Section 21.256, concerning establishing priorities for accepting applications

Chapter 21. Student Services

Subchapter J. THE PHYSICIAN EDUCATION LOAN REPAYMENT PROGRAM

Section

- 21.251. Authority and Purpose.
- 21.252. Administration.
- 21.253. Dissemination of Information.
- 21.254. Definitions.
- 21.255. Special Limitations.
- 21.256. Priorities of Application Acceptance.
- 21.257. State Recommended Health Professional Shortage Area.
- 21.258. Eligible Education Loan.
- 21.259. Eligible Lender or Holder.
- 21.260. Repayment of Education Loans.
- 21.261. State-Funded Portion for Post-Residency Practice.
- 21.262. Eligibility for State Loan Repayment Program (SLRP) Matching Federal Loan Repayments
- 21.263. Eligibility for Family Practice Faculty Participation.

21.251. - 21.255. No change

21.256. Priorities of Application Acceptance.

Acceptance of applicants will depend on the availability of funds. An application deadline will be established each year, at which time the applications will be grouped according to whether they are renewal or first-time applications. Renewal applicants will be given priority treatment over first-time applicants. If there are not sufficient funds to provide loan repayment to all qualified applicants in a group, the applications in that group will be ranked according to the following criteria:

- (1) Service at a non-profit facility.
- (2) Health Professional Shortage Area (HPSA) score or equivalent.
- (3) Service in an area which has been designated as a HPSA for more than five years.
- (4) Service in a rural county.
- (5) Full-time service.
- (6) Graduate of a Texas medical school.
- (7) Current or returning Texas resident.

21.257. - 21.263. No change

3. Review and re-adopt Sections 21.171-21.176, concerning the Teach for Texas Loan Repayment Assistance Program, and simultaneously propose amendments to Section 21.174, concerning eligibility requirements of teachers

Chapter 21. Student Services

SUBCHAPTER G. TEACH FOR TEXAS LOAN REPAYMENT ASSISTANCE PROGRAM

Section

- 21.171. Authority and Purpose.
21.172. Definitions.
21.173. Priorities of Application Acceptance.
21.174. Eligible Teacher.
21.175. Eligible Education Loan.
21.176. Repayment of Education Loans.

21.171. – 21.173. No change

21.174. Eligible Teacher.

To be eligible for loan repayment an individual must:

(1) be certified in a teaching field identified by the Texas Education Agency as experiencing a critical shortage of teachers in this state in the year in which the individual receives the assistance, and have for at least one year taught full-time, and be currently teaching full-time at the preschool, primary, or secondary level in a public school in this state in that teaching field; or ~~and~~

(2) be a certified educator in the year in which the individual receives the assistance, and have for at least one year taught full-time, and be currently teaching full-time at the preschool, primary, or secondary level in a public school in this state in a community identified by the Texas Education Agency as having an acute shortage of teachers; and:

~~[(A) a teaching field that has been designated by the Texas Education Agency as having an acute shortage of teachers in the year for which the teacher receives the assistance; or]~~

~~[(B) in a community that has been designated as having an acute shortage of teachers by the Texas Education Agency; and]~~

(3) submit a completed application to the Board by the stated deadline.

21.175. – 21.176. No change

4. Review and re-adopt Sections 21.560-21.566, concerning the Dental Education Loan Repayment Program and simultaneously propose amendments to Section 21.560, concerning the authority and purpose of the program

Chapter 21. Student Services

Subchapter R. DENTAL EDUCATION LOAN REPAYMENT PROGRAM

Section	
21.560.	<u>Authority and</u> Purpose.
21.561.	Definitions.
21.562.	Dissemination of Information.
21.563.	Priorities of Application Acceptance and Selection Criteria.
21.564.	Eligible Education Loan.
21.565.	Eligible Dentists.
21.566.	Repayment of Education Loans.

21.560. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Chapter 61, Subchapter T, Repayment of Certain Dental Education Loans. These rules establish procedures to administer the subchapter as prescribed in the Texas Education Code, Sections 61.901 through Section 61.910

(b) The purpose of the Dental Education Loan Repayment Program is to recruit and retain qualified dentists to provide dental services in areas of the state that are underserved with respect to dental care.

21.561. – 21.566. No change

5. Review and re-adopt Sections 21.710-21.722, concerning the Conditional Loan Repayment Program for Attorneys Employed by the Office of the Attorney General and simultaneously propose amendments to Sections 21.710, 21.711, 21.714, and 21.717-21.722, concerning the authority and purpose of the program, definitions used, eligibility requirements for attorneys and the deletion of obsolete sections related to a conditional loan repayment program

Chapter 21. Student Services

Subchapter W. **EDUCATION** [CONDITIONAL] LOAN REPAYMENT PROGRAM FOR ATTORNEYS EMPLOYED BY THE OFFICE OF THE ATTORNEY GENERAL

- 21.710. Authority, Scope, and Purpose.
- 21.711. Definitions.
- 21.712. Priorities of Application Acceptance.
- 21.713. Eligible School of Law.
- 21.714. Eligible Attorney.
- 21.715. Eligible Education Loan.
- 21.716. Education Loan Repayments.
- [21.717.] [Conditions of Loan Repayment(s) and Noncompliance.]
- [21.718.] [Terms of Loans.]
- [21.719.] [Forbearance.]
- [21.720.] [Enforcement of Collections.]
- [21.721.] [Provisions for Disability and Death.]
- 21.717.** [21.722.] Advisory Committee.

21.710. Authority, Scope, and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Subchapter X, Repayment of Certain Education Loans Owed by Certain State Attorneys. These rules establish procedures to administer the program as prescribed in the Texas Education Code, Sections **61.9721** [61.951] through **61.9732** [61.962].

(b) Scope. The rules set forth in this subchapter are applicable to attorneys who apply and qualify for the assistance.

(c) Purpose. This subchapter establishes guidelines for administering the program for the purpose of recruiting [,] and retaining [for at least three years,] attorneys in the Office of the Attorney General of the State of Texas.

21.711. Definitions.

The following words and terms, when used in this subchapter, shall have the following meanings, unless the context clearly indicates otherwise:

- (1) Attorney General's Office (OAG) – The Office of the Attorney General of the State of Texas.

- (2) Board -- The Texas Higher Education Coordinating Board.
- (3) Commissioner – The Texas Commissioner of Higher Education.
- (4) Program – The ~~[Conditional]~~ Education Loan Repayment Program for OAG Attorneys.
- (5) Service Period – A twelve-month period of law practice that qualifies an eligible attorney for an annual education loan repayment.

21.712. – 21.713. No change

21.714. Eligible Attorney.

To be eligible for loan repayment, an applicant must:

- (1) be licensed by the State Bar of Texas,
- (2) submit a complete application to the Board,
- (3) ~~have been~~ [be] employed ~~for at least one year~~ [by or have been offered employment] as an attorney with the Attorney General's Office at the time the application is submitted to the Board,
- ~~[(4) sign an agreement to serve as an attorney in the Attorney General's Office for at least three consecutive years, and]~~
- ~~[(5) sign a promissory note promising to repay all loan repayments made if the three years of service are not completed.]~~

21.715. – 21.716. No change

~~[21.717. Conditions of Loan Repayment(s) and Noncompliance.]~~

~~[(a) Attorneys must serve as a full-time attorney in the Attorney General's Office for three consecutive years.]~~

~~[(b) If three consecutive years of service in the Attorney General's Office are not completed in full, all loan repayments made become loans and the terms of the promissory notes become effective on the date the attorney's employment with the Attorney General's Office ends.]~~

~~[(c) The Board may grant the attorney additional time to complete the service obligation for good cause, such as temporary disability, care for a dependent who is temporarily disabled, or other extenuating circumstances as determined by the Board.]~~

~~[21.718. Terms of Loans.]~~

~~[(a) The principal and accrued interest shall be repaid in installments over a period of not more than five years;]~~

~~[(b) The fixed annual interest rate shall be determined by the Commissioner.]~~

~~[(c) Interest shall accrue beginning on the date the loan repayment was disbursed by the Board.]~~

~~[(d) Repayment shall begin 60 days after the attorney's last date of employment in the Attorney General's Office.]~~

~~[(e) Monthly payments shall be sufficient to repay the loan(s) within five years or \$200.00, whichever is greater.]~~

~~[21.719. — Forbearance.]~~

~~[Periods of forbearance may be granted at the discretion of the Board based on certain documented circumstances.]~~

~~[21.720. — Enforcement of Collections.]~~

~~[(a) — When a recipient of education loan repayments which have become loans has failed to remit as many as six monthly payments due in accordance with the promissory note(s), the unpaid principal, accrued interest charges, late charges, and any collection costs shall become due and payable immediately. The recipient's name, last known address, and other information shall be reported to the Attorney General or any county or district attorney acting for him or her in the county of the recipient's residence of in Travis County, unless the Attorney General shall find reasonable justification for delaying suit and shall so advise the Commissioner in writing. The borrower is responsible for paying all amounts, including principal and all accrued charges, such as interest, late charges, collection costs, court costs, and attorney fees.]~~

~~[(b) Upon notification by the Commissioner of default on the loan, the educational institution shall not release official certified academic transcripts of the recipient until the participating institution has been notified by the Board that the default has been corrected.]~~

~~[(c) In all cases of default the recipient shall be responsible for the payment of principal and all accrued interest charges, late charges, any collections costs incurred, and attorney fees.]~~

~~[21.721. — Provisions for Disability and Death.]~~

~~[The Board shall cancel a recipient's repayment or service obligation upon receipt of a sworn affidavit of a qualified physician documenting permanent disability that prevents the attorney from being unable to complete the three-year service period as an attorney for the Attorney General's Office. Upon receipt of a death certificate of a recipient, the Board shall cancel the repayment obligation unless the debt has been reduced to judgment before the date of death. The Board may pursue collection from the recipient's estate.]~~

21.717. [21.722.] Advisory Committee.

The Commissioner may appoint an advisory committee from outside the Board's membership and may request assistance in performing the duties herein from the State Bar of Texas and the Attorney General's Office.

6. Review and re-adopt Sections 21.2001-21.2008 of Board rules, concerning the Kenneth H. Ashworth Fellowship Program, and simultaneously propose amendments to Sections 21.2001, 21.2003, 21.2004, and 21.2006-21.2008, concerning the authority and operations of the program.

Chapter 21

Subchapter JJ. The Kenneth H. Ashworth Fellowship Program

Section

- 21.2001. Authority and Purpose.
- 21.2002. Eligible Institutions.
- 21.2003. Selection Committee ~~[Administration of the Program]~~.
- 21.2004. Eligible Students.
- 21.2005. Award Amounts.
- 21.2006. Funding.
- 21.2007. Submission of Applications and Selection of Recipients.
- 21.2008. Disbursement of Funds.

21.2001. Authority and Purpose.

(a) Authority. Authority for this subchapter is provided in the Texas Education Code, Chapter 61, Section 61.068, which allows the Board to accept gifts and donations from individuals and groups in order to offer programs that encourage students to attend college.

(b) Purpose. The Kenneth H. Ashworth Fellowship Program is to provide financial assistance to students with financial need enrolled in graduate programs in public affairs, public service or public administration.

21.2002. Eligible Institutions.

To be eligible to participate in the program, an institution must be a general academic teaching institution as defined in Texas Education Code, Chapter 61.003 or an independent college or university which is a member of the Independent Colleges and Universities of Texas.

21.2003. Selection Committee ~~[Administration of the Program]~~.

(a) A committee is established to accept and evaluate applications from institutions and to select fellowship award recipients.

(b) The committee consists of three members of the Coordinating Board staff appointed by the Commissioner, including one representative from the universities division, one from the Student Services division and one from another division of the agency.

21.2004. Eligible Students.

~~[(a)]~~ To qualify for an award, a student must be a Texas resident identified by the dean of his/her program of study as needing financial assistance. The student must be enrolled as a graduate student in public affairs, public service or public administration and intend to work in Texas after completing his/her graduate studies.

~~[(b)]~~ In determining student eligibility the committee shall consider the following factors relating to each applicant:

- ~~(1) — academic ability and promise;~~
- ~~(2) — career plans; and~~
- ~~(3) — individual qualifications, with emphasis on leadership and communication skills.]~~

21.2005. Award Amounts.

No annual award received through this program may exceed \$2,000.

21.2006. Funding.

Funding for the program will be generated through donations ~~[Donations]~~ and gifts ~~[are the sources of funds for the Kenneth H. Ashworth Fellowship fund, which will be deposited (along with its earnings) in the Texas Opportunity Plan Fund].~~ Awards will be made from the earnings of the funds.

21.2007. Submission of Applications and Selection of Recipients.

(a) Deans of colleges of public affairs, public service and public administration at eligible institutions will each be invited to submit applications and supportive documentation for up to two applicants per year. Applications for the awards must be submitted to the committee each year by February 20 or if February 20 does not fall on a work date, the first working date thereafter.

(b) The committee ~~[,following guidelines previously developed and shared with institutions,]~~ will rank applicants and select the recipients of awards for the following academic year. In determining student eligibility the committee shall consider at a minimum the following factors relating to each applicant:

- (1) academic ability and promise;
- (2) career plans; and

(3) individual qualifications, with emphasis on leadership and communication skills.

(c) The Commissioner will then announce award recipients to all participating institutions.

21.2008. Disbursement of Funds.

As soon as possible after the recipients register for the following fall semester and provide the Board proof of enrollment. ~~[announcement of award recipients.]~~ the Board will send funds representing the full award amount ~~[will be sent]~~ to the business offices of the relevant institutions for disbursement to the recipients ~~[of the awards]~~.